



Public Works Department – Engineering Division

Date: April 19, 2024

ADDENDUM NO. 6

PROJECT 5067 WTP FILTER IMPROVEMENTS AND HYPOCHLORITE CONVERSION

NOTICE TO BIDDERS:

The following clarifications, amendments, additions and/or deletions as set forth herein shall apply to the above project contract documents and shall be made a part thereof and shall be subject to all the requirements thereof as though originally specified and/or shown. Submitters shall assure themselves that all addendum changes have been incorporated into their proposal.

A. ADDITIONS/DELETIONS/REVISIONS

1. NONE

B. CLARIFICATIONS AND QUESTIONS

Please be advised of the following clarifications to the contract documents:

1. PLA Section 2.3.1 includes "start-up, calibration, commissioning, performance testing, repair, maintenance, and operational revisions to systems or sub-systems". The field-service technicians that perform these duties, who are the authorized manufacturer representatives required by the technical specifications, are not union employees. They must be involved in the start-up, calibration, and testing requirements in order to satisfy the manufacturer's warranty requirements. Please remove this section from the PLA, or add an exception for authorized manufacturer representatives.

Response: This will apply to the scope of work outside of that which is associated with Manufacturer's requirements to approve the elements work completed that begins the warranty period.

2. General Conditions 4.3 (F) Deductibles and Self-Insured Retentions requires that deductibles in excess of \$100,000 must be approved by the City's Risk Manager. Regarding Builder's Risk coverage, if coverage for the peril of earthquake is required, please accept an earthquake deductible of 5% of the values at risk at time of loss, with a \$250,000 per occurrence minimum. Lower deductibles for earthquake in this seismic zone have limited availability and do not come at a reasonable cost.

Response: This is acceptable. However, there is no mention in GC section 4.3 or elsewhere in the Contract Documents that violates or is inconsistent with the terms of PCC section 7105 because the insurance terms do not require coverage for "Acts of God" as defined in PCC section 7105

3. California Public Contract Code Sec. 7105, the Act of God statute, provides Contractors relief from damages in excess of 5% of the contract value when caused by an earthquake (or resulting tidal wave) that registers 3.5 or higher on the Richter Scale. Code 7105 does permit an agency to require Contractors to provide earthquake insurance through a builders' risk insurance policy. When the agency elects to do so, the premium must be shown as a separate bid item. General Conditions 2.2 (B) makes the Contractor responsible for damage to the work caused by earthquake, but General Conditions 4.3 (A) (5) Builder's Risk Insurance only calls for coverage to be on an all-risk or "all perils" basis. Per industry standards, all risk / all perils policies do not automatically include coverage for the peril of earthquake. Please either amend General Conditions 2.2 (B) Responsibility for the Work and Risk of Loss to include relief as provided by Section 7105, or amend General Conditions 4.3 (A) (5) Builder's Risk Insurance to specifically require coverage for earthquake with a sublimit no greater than \$40,000,000 per occurrence and annual aggregate per commercially available limits in this seismic zone, which would also require a bid line item for the earthquake premium.

Response: See response to Question 2.

4. Per General Conditions, Article 2, Contractor 2.2(B), Contractor bears all risks of injury or damage to the Work and the materials and equipment delivered to any Worksite, by any cause including fire, earthquake, wind, weather, vandalism or theft and Article 4, Insurance 4.3A(5), The builder's risk insurance policy must be issued on an occurrence basis, for all-risk or "all perils" coverage. Pursuant to PCC 7105, Contractors are not responsible to the public agency for repairing or restoring damages caused by an Act of God in excess of 5% of the contracted amount. If coverage for Acts of God are required, a separate bid item for this coverage is required. Please confirm the requirement for such policy shall exclude Acts of God as defined in PCC 7105.

Response: See response to Question 2.

BIDDERS MUST SIGN AND ATTACH one (1) copy of this addendum document to the proposal as acknowledgment of receipt of these instructions and that said addendum was properly evaluated in the proposal.

ANY PROPOSAL NOT IN COMPLIANCE WITH THIS ADDENDUM MAY BE REJECTED.

Issued: 04-19-2024



Dayne Johnson, P.E.
Assistant City Engineer

ADDENDUM NO. 6, PROJECT 5067 WTP FILTER IMPROVEMENTS AND HYPOCHLORITE CONVERSION is hereby acknowledged and was considered in this Project Proposal.

Bidder's Signature

Date

Firm Name

Mailing Address

City/State/Zip+4